

## **EXHIBIT 2**



Liberty Mutual Group  
PO Box 4836  
Syracuse, NY 13221  
315-433-1243 ext. 64436  
1-888-250-8175 ext 64436  
FAX: 603-422-0110

January 11, 2011

***Personal & Confidential***

**Sent Regular & Certified Mail**

Richard E. Hall  
Mark R. Laskowski  
Stone House  
Box 23  
Eaton, NY 13334-2904

Re: Insured : Richard E. Hall and Mark R. Laskowski  
DOL : January 10, 2010  
Location : 5758 Mill Street, Eaton, NY 13334  
Claim Number: 13531489-0001  
Policy Number: H32-221-361798-900

Gentlemen:

Please be advised that Liberty Mutual Fire Insurance Company hereby rejects your claim for this loss due to breaches and violations of the policy provisions, conditions, and law, including, but not limited to, the following:

**SECTION 1 – CONDITIONS**

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2. Your Duties After Loss. In case of loss to covered property, you must see that the following are done:

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f. As often as we reasonably require:

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(3) Submit to examination under oath, while not in the presence of any other “insured”, and sign the same;

**HO 00 03 04 91**

The foregoing policy condition has been violated by the insureds who were asked by Liberty Mutual to appear for a continued examination under oath. The insureds agreed to appear but refused to answer any questions on topics which were the subject of previous questioning.

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Further, Liberty Mutual rejects this claim based on the violation of the following policy conditions:

**SECTIONS I AND II – CONDITIONS**

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**2. Concealment Or Fraud**

We do not provide coverage for the “insured” who, whether before or after a loss, has:

- a. Intentionally concealed or misrepresented any material fact or circumstance; or
- b. Engaged in fraudulent conduct; relating to this insurance.

**FMHO 3174 01 09**

The foregoing policy condition has been violated by the insureds who, among other things, intentionally set fire to the building; concealed and misrepresented their involvement in setting the fire; misrepresented their activities on the day of the fire and the surrounding circumstances in an effort to deflect the investigation.

Further, Liberty Mutual rejects this claim based on the violation of the following policy provision:

**SECTION I – EXCLUSIONS**

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**8. Intentional Loss**

We do not provide coverage for an “insured” who commits or directs an act with the intent to cause a loss.

**FMHO 3174 01 09**

The foregoing policy provision bars coverage for the insureds who caused, solicited or procured the fire for the purpose of collecting the proceeds of the fire insurance policy.

Finally, the following language is also contained in the policy:

**SECTION I - CONDITIONS**

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**8. Suit Against Us**

No action can be brought unless the policy provisions have been complied with and the action is started within two years after the date of loss.

**FMHO 3174 01 09**

This letter should not be construed as a waiver or estoppel of any of the terms, conditions or defenses afforded by the policy or applicable law.

Regulation 64 as promulgated by the New York State Insurance Department requires that any notice explaining or rejecting any element of a claim shall contain the following:

**Should you wish to take this matter up with the New York State Insurance Department, you may file with the Department either on its website at <http://www.ins.state.ny.us/complhow.htm> or you may write to or visit the Consumer Services Bureau, New York State Insurance Department at: 25 Beaver Street, New York, NY 1004; One Commerce Plaza, Albany, New York 12257; 200 Old Country Road, Suite 340, Mineola, New York 11501 or Walter J. Mahoney Office Building, 65 Court Street, Buffalo, New York 14202.**

Very truly yours,

Carol L. Bissonette, CPCU, AIC, FCLS  
Sr. Special Investigator  
Special Investigation Unit  
[Carol.Bissonette@LibertyMutual.com](mailto:Carol.Bissonette@LibertyMutual.com)

cc: Dennis J. Artese, Esq.  
Anderson Kill & Olick, P.C.  
1251 Avenue of the Americas  
New York, New York 10020